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SCHAKOWSKY FIGHTS FOR ILLINOIS HOSPITALS' FAIR SHARE OF FEDERAL FUNDING

WASHINGTON, D.C. -- U.S. Representative Jan Schakowsky (D-IL) today said she will work for Medicare and Medicaid changes that will protect Illinois hospitals and patients. Schakowsky met with members of the Illinois Hospital Association and vowed to work for legislation that would ensure that hospitals receive adequate payments from Medicare and Medicaid.

"We rely on you to provide quality, timely care 24 hours a day, 7 days a week. No matter what the problem or when it occurs, all of us expect that hospitals will be there to respond. Every hospital is a safety net for the 40 million uninsured, many of whom rely on you as their regular source of care. With a recession, increased unemployment and cuts in Medicaid, that reliance is certain to increase," Schakowsky said.

She added, "And, now, in our post-September 11 world, we rely on you to be able to respond to nuclear, biological or chemical emergencies that were previously unimaginable. To meet those expectations, you need to receive adequate payments from Medicare, Medicaid and private payers."

Schakowsky warned that the current federal budget situation, where a \$5 trillion surplus disappeared due in large part to last year's tax cut for the rich, threatens those payments. The House-passed budget resolution fails to set aside more funds to increase the federal share of Medicaid to relieve the burden facing Illinois and other states, and the President's \$350 billion set aside for Medicare over the next 10 years, is inadequate.

"That \$350 billion is supposed to cover provider payment increases, a Medicare prescription drug benefit, and a Medicare 'modernization' - effort to push beneficiaries into managed care. I don't support the Administration's plans for Medicare restructuring. But clearly \$350 billion is not enough to provide adequate hospital payments and provide a meaningful drug benefit," Schakowsky said.

She added, "I believe that tax cuts for the wealthy are not as important as improving Medicare, protecting Social Security and meeting other critical national needs. I introduced H.R. 2999, the First Things First Act, last fall. It would put tax cuts for the wealthiest Americans - tax cuts have been enacted but not implemented - on hold until we meet those goals."

In Congress, Schakowsky is an active supporter of legislation that is designed to ensure that hospitals in Illinois receive their due payments. Such legislation include:

- the American Hospital Preservation Act and efforts to give hospitals a full market**

basket update for the cost of caring for patients and medical education;

- the Medicaid Safety Net Hospital Continued Preservation Act;**
- the State Budget Relief Act and increasing the FMAP for Illinois from 50% to 55%;**
- the Nurse Reinvestment Act and FamilyCare and more SCHIP funding. And I am going to continue to fight, along with the entire Illinois delegation, to make sure that Illinois is protected and that our 175% DSH limit is made permanent.**

Schakowsky concluded, "I hope that we can work together over the coming weeks to pass the Medicare and Medicaid changes we need to protect Illinois hospitals and your patients. And I hope that we can work together in the coming months to make more fundamental changes that we protect us for years to come."